Violation of FERA by Chairman, Bombay Dyeing

306. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 1619 given in the Rajya Sabha on the 9th March, 1989 and state :

(a) whether the stay order obtained from the Bombay High Court by the Chairman, Bombay Dyeing against the adjudication proceedings initiated against him by the Directorate of Enforcement has since been vacated ; and

(b) what is the present position of the case and by when the proceedings are likely to be completed.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI) : (a) No, Sir.

(b) Can not be predicted in view of (a) above.

Non-Payment of Customs Duty on News Print by Indian Express Group

307. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of FINANCE be pleased to state :

(a) whether Government have examined the Report of the Company Law Board submitted in 1987 regarding financial irregularities and non-payment of customs duty on newsprint and other items by the Indian Express Private Limited ;

(b) if so, what are the details thereof ; and

(c) what action is being taken in the matter ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA) : (a) to (c) The extract of the Inspection carried out under Section 209-A of the Companies Act, 1956 in respect of Indian Express Newspapers Pvt. Ltd., Bombay has been examined. It has been verified that M/s Indian Express were paying duty on their imported newsprint in terms of an Interim order dated 2-6-1981 of the Supreme Court till the final orders were passed by the Court, on 6-12-1984.

As a result of the Supreme Court's final order, and consequent fixation of duty at Rs. 550 per M.T. with effect from 1-3-1981, an amount of Rs. 87.64 lakhs has been recovered from the Company.

Suggestions for Modification of Tax Laws by ASSOCHAM for Promotion of Family Planning

308. DR. RATNAKAR PANDEY :
SHRI MURLIDHAR CHANDRAKANT BHANDARE :
SHRI DEBA PRASAD RAY :

Will the Minister of FINANCE be pleased to state:

(a) whether the Associated Chambers of Commerce and Industry has called for suitable modifications in tax-laws to promote family planning by involving corporate sector;

(b) if so, what are the details thereof ; and

(c) what is Government's reaction thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA) : (a) Yes, Sir.

(b) The Associated Chambers of Commerce and Industry of Ind ia

has suggested for a suitable modification of section 36(1)(ix) of the Income-Tax Act whereby an assessee having income under the head 'Profits and gains of business and profession' can claim a deduction of *bonafide* expenditure incurred by way of payment of any sum :

(i) to an association or institution engaged in the promotion of family planning and social welfare and related activities ;

(ii) to an association or institution engaged in training persons for implementing programmes of family planning and social welfare ; and

(iii) towards expenditure incurred by a company on family planning amongst general public.

(c) Under section 80-G of the Income-tax Act, 1961 there already exist provisions whereby any sum contributed by an assessee to the Government or to any such local authority, institution or association as may be approved in this behalf by the Central Government, to be utilised for the purpose of promoting family planning is allowed as deduction in computing its total income. The use of the funds by these authorities would certainly be for the benefit of general public. Further under section 36(1)(ix) of the Income-Tax Act any *bonafide* expenditure incurred by a company for the purpose of promoting family planning amongst its employees is fully allowed as a deduction. If the expenditure is of capital nature, the expenditure is allowed as deduction over a period of five years.

In view of the position as discussed above, the suggestion to amend section 36(1)(ix) of the Income-Tax Act for allowing deduction in respect of the expenditure incurred by the Company on family planning amongst the general public does not seem necessary and therefore has not been found aceeptable.

Seizure of assets by Income-tax Department during raids

309. SHRI MURLIDHAR CHANDRAKANT BHANDARE :

SHRI DEBA PRASAD RAY :

Will the Minister of FINANCE be pleased to state :

(a) what is the extent of gold, cash, jewellery and other assets seized by Income-tax, Customs, and other revenue enforcement authorities in the raids and seizures conducted during the first half of 1989 and the corresponding figures thereof during the last two years; and

(b) what is the number of cases in which prosecutions were launched and in how many cases the matter was dropped and also the manner in which the seized property was disposed of ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA) : (a)

Period	Value of assets seized under Income tax Act. (Rs. in crores)	Value of goods seized under the Customs Act. (Rs. in crores)	Seizure of Gold under Gold Control Act. (in Kgs.)
1-1-89 to 30-6-89 . .	59.78	288.40	153.14 (upto May, 89)
1-1-88 to 30-6-88 . .	85.27	184.81	648.69
1-1-87 to 30-6-87 . .	42.21	110.19	216.97